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AN ACT

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RELATING TO REAL ESTATE APPRAISERS; CLARIFYING THAT REGISTRATION IS
FOR STATE APPRENTICE REAL ESTATE APPRAISERS; PROVIDING
QUALIFICATIONS FOR ALL LEVELS OF REAL ESTATE APPRAISERS; BROADENING
CONTINUING EDUCATION REQUIREMENTS; INCREASING LICENSE AND OTHER
FEES; PRESCRIBING PENALTIES; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 61-30-3 NMSA 1978 (being Laws 1990, Chapter 75,
Section 3, as amended) is amended to read:

"61-30-3. DEFINITIONS.--As used in the Real Estate Appraisers Act:

A. "appraisal" or "real estate appraisal" means an analysis, opinion or
conclusion prepared by a real estate appraiser relating to the nature, quality, value or
utility of specified interests in or aspects of identified real estate or real property, for or
in expectation of compensation, and shall include the following:

(1) a valuation, analysis, opinion or conclusion prepared by a
real estate appraiser that estimates the value of identified real estate or real property;
and

(2) an analysis or study of real estate or real property other
than estimating value;

B. "appraisal assignment" means an engagement for which an
appraiser is employed or retained to act or would be perceived by third parties or the
public as acting as a disinterested third party in rendering an unbiased appraisal;

C. "appraisal foundation" means the appraisal foundation incorporated
as an Illinois not-for-profit corporation on November 30, 1987 and to which reference
is made in the federal real estate appraisal reform amendments;

D. "appraisal report" means any communication, written or oral, of an
appraisal regardless of title or designation and all other reports communicating an
appraisal;

1 E. "board" means the real estate appraisers board; S
2 F. "certified appraisal" or "certified appraisal report" means an B
3 appraisal or appraisal report given or signed and certified as such by a state certified 5
4 real estate appraiser and shall include an indication of which type of certification is 6
5 held and shall be deemed to represent to the public that it meets the appraisal 2
6 standards defined in the Real Estate Appraisers Act; P
7 G. "federal real estate appraisal reform amendments" means the a
8 federal Financial Institutions Examination Council Act of 1978, as amended by Title 11, g
9 Real Estate Appraisal Reform Amendments; e
10 H. "general certificate" or "general certification" means a certificate or 2
11 certification for appraisals of all types of real estate issued pursuant to the provisions
12 of the Real Estate Appraisers Act and the federal real estate appraisal reform
13 amendments;
14 I. "real estate" or "real property" means leasehold or other estate or
15 interest in, over or under land, including structures, fixtures and other improvements
16 and interests that by custom, usage or law pass with a conveyance of land, though not
17 described in a contract of sale or instrument of conveyance, and includes parcels with
18 or without upper and lower boundaries and spaces that may be filled with air;
19 J. "real estate appraiser" means any person who engages in real
20 estate appraisal activity in expectation of compensation;
21 K. "residential certificate" or "residential certification" means a
22 certificate or certification, limited to appraisals of residential real estate or residential
23 real property without regard to the complexity of the transaction, issued pursuant to
24 the provisions of the Real Estate Appraisers Act and as provided under the terms of
25 the federal real estate appraisal reform amendments;
L. "residential real estate" or "residential real property" means real
estate designed and suited or intended for use and occupancy by one to four families,
including use and occupancy of manufactured housing;
M. "specialized services" means those services that do not fall within

1 the definition of an appraisal assignment and may include specialized financing or
2 market analyses and feasibility studies that may incorporate estimates of value or
3 analyses, opinions or conclusions given in connection with activities such as real
4 estate brokerage, mortgage banking, real estate counseling and real estate tax
5 counseling, provided that the person rendering such services would not be perceived
6 by third parties or the public as acting as a disinterested third party in rendering an
7 unbiased appraisal or real estate appraisal, regardless of the intention of the client
and that person;

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8 N. "state certified appraisal" means any appraisal that is identified as a
9 state certified appraisal report or is in any way described as being prepared by a state
10 certified real estate appraiser;

11 O. "state certified real estate appraiser" means a person who holds a
12 current, valid general certificate or a current, valid residential certificate issued
pursuant to the provisions of the Real Estate Appraisers Act;

13 P. "state licensed real estate appraiser" means a person who holds a
14 current, valid license issued pursuant to the provisions of the Real Estate Appraisers
15 Act; and

16 Q. "state apprentice real estate appraiser" means a person who holds
17 a current, valid registration issued pursuant to the provisions of the Real Estate
Appraisers Act."

18 Section 2. Section 61-30-4 NMSA 1978 (being Laws 1990, Chapter 75,
19 Section 4, as amended) is amended to read:

20 "61-30-4. ADMINISTRATION--ENFORCEMENT.--

21 A. The board shall administer and enforce the Real Estate Appraisers
22 Act.

23 B. It is unlawful for a person to engage in the business, act in the
24 capacity of, advertise or display in any manner or otherwise assume to engage in the
25 business of, or act as, a state apprentice real estate appraiser, state licensed real
estate appraiser or state certified real estate appraiser without a license issued by the

1 board. A person who engages in the business or acts in the capacity of a state
2 apprentice real estate appraiser, state licensed real estate appraiser or state certified
3 real estate appraiser has submitted to the jurisdiction of the state and to the
4 administrative jurisdiction of the board, notwithstanding any other provisions or
5 statutes governing all professional and occupational licenses."

6 Section 3. Section 61-30-5 NMSA 1978 (being Laws 1990, Chapter 75,
7 Section 5, as amended) is amended to read:

8 "61-30-5. REAL ESTATE APPRAISERS BOARD CREATED.--

9 A. There is created a "real estate appraisers board" consisting of
10 seven members.

11 B. There shall be four real estate appraiser members of the board who
12 shall be licensed or certified. Membership in a professional appraisal organization or
13 association shall not be a prerequisite to serve on the board. No more than two real
14 estate appraiser members shall be from any one licensed or certified category.

15 C. Board members shall be appointed to five-year terms and shall
16 serve until their successor is appointed and qualified. Real estate appraiser members
17 may be appointed for no more than two consecutive five-year terms.

18 D. No more than two members shall be from any one county within New
19 Mexico, and at least one real estate appraiser member shall be from each
20 congressional district.

21 E. One member of the board shall represent lenders or their
22 assignees engaged in the business of lending funds secured by mortgages. Two
23 members shall be appointed to represent the public. The public members shall not
24 have been real estate appraisers or engaged in the business of real estate appraisals
25 or have any financial interest, direct or indirect, in real estate appraisal or any real-
estate-related business.

F. Vacancies on the board shall be filled by appointment by the
governor for the unexpired term within sixty days of the vacancy.

G. The board is administratively attached to the regulation and

1 licensing department."

2 Section 4. Section 61-30-7 NMSA 1978 (being Laws 1990, Chapter 75,
3 Section 7, as amended) is amended to read:

4 "61-30-7. BOARD--POWERS--DUTIES.--The board shall:

5 A. adopt rules necessary to implement the provisions of the Real
6 Estate Appraisers Act;

7 B. establish educational programs and research projects related to the
8 appraisal of real estate;

9 C. establish the administrative procedures for processing applications
10 and issuing registrations, licenses and certificates to persons who qualify to be state
11 apprentice real estate appraisers, state licensed real estate appraisers or state
12 certified real estate appraisers;

13 D. receive, review and approve applications for state apprentice real
14 estate appraisers, state licensed real estate appraisers and each category of state
15 certified real estate appraisers and, for state licensed or state certified real estate
16 appraisers, prepare or supervise the preparation of examination questions and
17 answers and supervise grading of examinations and enter into contracts with one or
18 more educational testing services or organizations for such examinations;

19 E. define the extent and type of educational experience, appraisal
20 experience and equivalent experience that will meet the requirements for registration,
21 licensing and certification under the Real Estate Appraisers Act after considering
22 generally recognized appraisal practices and set minimum requirements for education
23 and experience;

24 F. provide for continuing education programs for the renewal of
25 registrations, licenses and certification that will meet the requirements provided in the
Real Estate Appraisers Act and set minimum requirements;

G. adopt standards to define the education programs that will meet the
requirements of the Real Estate Appraisers Act and will encourage conducting
programs at various locations throughout the state;

1 H. adopt standards for the development and communication of real S
2 estate appraisals provided in the Real Estate Appraisers Act and adopt rules B
3 explaining and interpreting the standards after considering generally recognized 5
4 appraisal practices; 6
5 I. adopt a code of professional responsibility for state apprentice real 2
6 estate appraisers, state licensed real estate appraisers and state certified real estate P
7 appraisers; a
8 J. comply with annual reporting requirements and other requirements 9
9 set forth in the federal real estate appraisal reform amendments; e
10 K. maintain a registry of the names and addresses of the persons who 6
11 hold current registrations, licenses and certificates issued under the Real Estate
12 Appraisers Act;
13 L. establish procedures for disciplinary action in accordance with the
14 Uniform Licensing Act against any applicant or holder of a registration, license or
15 certificate for violations of the Real Estate Appraisers Act and any rules adopted
16 pursuant to provisions of that act; and
17 M. perform such other functions and duties as may be necessary to
18 carry out the provisions of the Real Estate Appraisers Act."
19 Section 5. Section 61-30-8 NMSA 1978 (being Laws 1990, Chapter 75,
20 Section 8, as amended) is amended to read:
21 "61-30-8. BOARD--ORGANIZATION--MEETINGS.--
22 A. The board shall organize by electing a chairperson, vice
23 chairperson and secretary from among its members annually. A majority of the board
24 shall constitute a quorum and may exercise all powers and duties established by the
25 provisions of the Real Estate Appraisers Act.
B. The board shall keep a record of its proceedings, a register of
persons registered, licensed or certified as state apprentice real estate appraisers,
state licensed real estate appraisers or state certified real estate appraisers, showing
the name and places of business of each, and retain all records and applications

1 submitted to the board pursuant to the Real Estate Appraisers Act.

2 C. The board shall meet not less frequently than once each calendar
3 quarter at such place as may be designated by the board, and special meetings may
4 be held on five days' written notice to each of the members by the chairperson. At
5 least annually, the board shall meet in each of the congressional districts."

6 Section 6. Section 61-30-9 NMSA 1978 (being Laws 1990, Chapter 75,
7 Section 9, as amended) is amended to read:

8 "61-30-9. REIMBURSEMENT AND EXPENSES.--The board may appoint such
9 committees of the board as may be necessary. Each member of the board or any
10 committee shall receive per diem and mileage as provided in the Per Diem and
11 Mileage Act and shall receive no other perquisite, compensation or allowance.
12 Compensation for employees, investigative contractors or consultants and any
13 necessary supplies and equipment shall be paid from the appraiser fund."

14 Section 7. Section 61-30-10 NMSA 1978 (being Laws 1990, Chapter 75,
15 Section 10, as amended) is amended to read:

16 "61-30-10. REGISTRATION, LICENSE OR CERTIFICATION
17 REQUIRED--EXCEPTIONS.--

18 A. It is unlawful for any person in this state to engage or attempt to
19 engage in the business of developing or communicating real estate appraisals or
20 appraisal reports without first registering as an apprentice or obtaining a license or
21 certificate from the board under the provisions of the Real Estate Appraisers Act.

22 B. No person, unless certified by the board as a state certified real
23 estate appraiser under a general certification or residential certification, shall:

24 (1) assume or use any title, designation or abbreviation likely
25 to create the impression of a state certified real estate appraiser;

(2) use the term "state certified" to describe or refer to any
appraisal or evaluation of real estate prepared by him;

(3) assume or use any title, designation or abbreviation likely
to create the impression of certification as a state certified real estate appraiser firm,

1 partnership, corporation or group; or

2 (4) assume or use any title, designation or abbreviation likely
3 to create the impression of certification under a general certificate or describe or refer
4 to any appraisal or evaluation of nonresidential real estate by the term "state certified"
5 if the preparer's certification is limited to residential real estate.

6 C. A state apprentice real estate appraiser who is registered but does
7 not hold a license or certificate is authorized to prepare appraisals of all types of real
8 estate or real property, provided such appraisals are not described or referred to as
9 being prepared by a "state certified real estate appraiser" holding a residential or
10 general certificate or by a "state licensed real estate appraiser" and provided, further,
11 such person does not assume or use any title, designation or abbreviation likely to
12 create the impression of certification as a state certified real estate appraiser or
13 licensure as a state licensed real estate appraiser.

14 D. A holder of a license or residential certificate is authorized to
15 prepare appraisals of nonresidential real estate, provided such appraisals are not
16 described or referred to as "state certified by a general certified appraiser" and
17 provided, further, the holder of the certificate does not assume or use any title,
18 designation or abbreviation likely to create the impression of general certification.

19 E. To perform in federally related transactions, as referenced in the
20 federal Financial Institutions Reform, Recovery and Enforcement Act, a real estate
21 appraiser shall, at a minimum, meet the requirements for licensing as currently
22 defined.

23 F. The requirement of registration, licensing or certification shall not
24 apply to a real estate broker or salesperson who, in the ordinary course of business,
25 gives an opinion of the price or value of real estate for the purpose of securing a
listing, marketing of real property, affecting a sale, lease or exchange, conducting
market analyses or rendering specialized services; provided, however, this opinion of
the price or value shall not be referred to or construed as an appraisal or appraisal
report and no compensation, fee or other consideration is expected or charged for

1 such opinion, other than the real estate brokerage commission or fee for services
2 rendered in connection with the identified real estate or real property.

3 G. The requirement of registration, licensing or certification shall not
4 apply to real estate appraisers of the property tax division of the taxation and revenue
5 department, to a county assessor or to the county assessor's employees, who as part
6 of their duties are required to engage in real estate appraisal activity as a county
7 assessor or on behalf of the county assessor and no additional compensation fee or
8 other consideration is expected or charged for such appraisal activity, other than such
9 compensation as is provided by law.

10 H. The prohibition of Subsection A of this section does not apply to
11 persons whose real estate appraisal activities are limited to the appraisal of interests
12 in minerals, including oil, natural gas, liquid hydrocarbons or carbon dioxide, and
13 property held or used in connection with mineral property, if that person is authorized
14 in his state of residence to practice and is actually engaged in the practice of the
15 profession of engineering or geology.

16 I. The process of analyzing, without altering, an appraisal report that is
17 part of a request for mortgage credit is considered a specialized service as defined in
18 Subsection M of Section 61-30-3 NMSA 1978 and is exempt from the requirements of
19 registration, licensing or certification."

20 Section 8. Section 61-30-10.1 NMSA 1978 (being Laws 1992, Chapter 54,
21 Section 8, as amended) is amended to read:

22 "61-30-10.1. QUALIFICATION FOR STATE APPRENTICE REAL ESTATE
23 APPRAISERS.--

24 A. Registration as a state apprentice real estate appraiser shall be
25 granted only to persons who are deemed by the board to be of good repute and
competent to render appraisals.

B. Each applicant for registration as a state apprentice real estate
appraiser shall be a legal resident of the United States, except as otherwise provided
in Section 61-30-20 NMSA 1978, and have reached the age of majority.

1 C. Each applicant for registration as a state apprentice real estate S
2 appraiser shall have the education requirements as established for the apprentice B
3 classification issued by the appraiser qualifications board of the appraisal foundation 5
4 and adopted by rule pursuant to the Real Estate Appraisers Act. 6

5 D. The board shall require such information as it deems necessary 2
6 from every applicant to determine the applicant's honesty, trustworthiness and P
7 competency." a
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7 Section 9. Section 61-30-11 NMSA 1978 (being Laws 1990, Chapter 75, 1
8 Section 11, as amended) is amended to read: 0

9 "61-30-11. QUALIFICATIONS FOR LICENSE.--

10 A. Licenses shall be granted only to persons who are deemed by the
11 board to be of good repute and competent to render appraisals.

12 B. Each applicant for a license as a state licensed real estate
13 appraiser shall be a legal resident of the United States, except as otherwise provided
14 in Section 61-30-20 NMSA 1978, and have reached the age of majority.

15 C. Each applicant for a license as a state licensed real estate
16 appraiser shall have additional experience and education requirements as established
17 for the licensed classification issued by the appraiser qualifications board of the
18 appraisal foundation and adopted by rule pursuant to the Real Estate Appraisers Act.

19 D. The board shall require such information as it deems necessary
20 from every applicant to determine the applicant's honesty, trustworthiness and
21 competency.

22 E. Persons who do not meet the qualifications for licensure are not
23 qualified for appraisal assignments involving federally related transactions."

24 Section 10. Section 61-30-12 NMSA 1978 (being Laws 1990, Chapter 75,
25 Section 12, as amended) is amended to read:

"61-30-12. QUALIFICATIONS FOR CERTIFICATE.--

A. Certificates shall be granted only to persons who are deemed by
the board to be of good repute and competent to render appraisals.

1 B. Each applicant for a certificate as a state certified real estate S
2 appraiser shall be a legal resident of the United States, except as otherwise provided B
3 in Section 61-30-20 NMSA 1978, and have reached the age of majority. 5

4 C. Each applicant for a residential certificate as a state certified real 6
5 estate appraiser shall have performed actively as a real estate appraiser and shall 2
6 have additional experience and education requirements as established for the P
7 residential certification classification issued by the appraiser qualifications board of the a
8 appraisal foundation and adopted by rule pursuant to the Real Estate Appraisers Act. g
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11 D. Each applicant for a general certificate as a state certified real
12 estate appraiser shall have performed actively as a real estate appraiser and have
13 additional experience and education requirements as established for the general
14 certification classification issued by the appraiser qualifications board of the appraisal
15 foundation and adopted pursuant to the Real Estate Appraisers Act.

16 E. The board shall require such information as it deems necessary
17 from every applicant to determine the applicant's honesty, trustworthiness and
18 competency."

19 Section 11. Section 61-30-13 NMSA 1978 (being Laws 1990, Chapter 75,
20 Section 13, as amended) is amended to read:

21 "61-30-13. APPLICATION FOR REGISTRATION, LICENSE OR CERTIFICATE-
22 -EXAMINATION.--

23 A. All applications for registrations, licenses or certificates shall be
24 made to the board in writing, shall specify whether registration or a license or a
25 certificate is being applied for by the applicant and, if a certificate, the classification of
the certificate being applied for by the applicant and shall contain such data and
information as may be required by the board.

B. Each applicant for a license or a certificate shall demonstrate by
successfully passing a written examination, prepared by or under the supervision of
the board, that the applicant possesses, consistent with licensure or the certification
sought, the following:

1 (1) an appropriate knowledge of technical terms commonly S
2 used in or related to real estate appraising, appraisal report writing and economic B
3 concepts applicable to real estate; 5
4 (2) a basic understanding of real estate law; 6
5 (3) an adequate knowledge of theory and techniques of real 2
6 estate appraisal; P
7 (4) an understanding of the principles of land economics, real a
8 estate appraisal processes and problems likely to be encountered in the gathering, g
9 interpreting and processing of data in carrying out appraisal disciplines; e
10 (5) an understanding of the standards for the development 1
11 and communication of real estate appraisals as provided in the Real Estate Appraisers 2
12 Act; 1
13 (6) knowledge of theories of depreciation, cost estimating, 2
14 methods of capitalization and the mathematics of real estate appraisal that are
15 appropriate for the classification of certificate applied for by the applicant;
16 (7) knowledge of other principles and procedures as may be
17 appropriate for the respective classification; and
18 (8) an understanding of the types of misconduct for which
19 disciplinary proceedings may be initiated against a state apprentice real estate
20 appraiser, state licensed real estate appraiser or state certified real estate appraiser
21 as set forth in the Real Estate Appraisers Act.
22 C. The examination shall be given at least four times each calendar
23 year at such times and places within the state as the board prescribes. The board
24 shall make a reasonable effort to conduct examinations in each congressional district.
25 Notice of passing or failing the examination shall be given by the board to each
applicant not later than forty-five days following the date of the examination.
D. An applicant for a license or a certificate who fails to successfully
complete the written examination may apply for a reexamination for a license or
certificate upon compliance with such conditions as set forth in the rules adopted by

1 the board pursuant to the provisions of the Real Estate Appraisers Act."

2 Section 12. Section 61-30-14 NMSA 1978 (being Laws 1990, Chapter 75,
3 Section 14, as amended) is amended to read:

4 "61-30-14. ISSUANCE AND RENEWAL OF REGISTRATION, LICENSES AND
5 CERTIFICATES.--

6 A. The board shall issue to each qualified applicant evidence of
7 registration, a license or a certificate in a form and size prescribed by the board.

8 B. The board in its discretion may renew registrations, licenses or
9 certificates for periods of one, two or three years for the purpose of coordinating
10 continuing education requirements with registration, license or certificate renewal
11 requirements.

12 C. Each registration, license or certificate holder shall submit proof of
13 compliance with continuing education requirements and the renewal fee.

14 D. At the election of eligible holders of a registration, license or
15 certificate who perform or seek to perform appraisals in federally related transactions
16 under the federal real estate appraisal reform amendments, each application for
17 renewal shall include payment of a registry fee set by the federal financial institutions
18 examination council. The registry fee shall be transmitted by the board to the federal
19 financial institutions examination council. Notice of whether the state apprentice real
20 estate appraiser, state licensed real estate appraiser or state certified real estate
21 appraiser has paid the federal registry fee and is thus eligible to perform in federally
22 related transactions shall be included on the face of each registration, license and
23 certificate issued by the board.

24 E. The board shall certify renewal of each registration, license or
25 certificate in the absence of any reason or condition that might warrant the refusal of
the renewal of a registration, license or certificate.

F. In the event any registration, license or certificate holder fails to
properly apply for renewal of the registration, license or certificate within the thirty days
immediately following his registration, license or certificate renewal date of any given

1 year, the registration, license or certificate shall expire thirty days following the renewal S
2 date. B

3 G. The board may renew an expired registration upon application, 5
4 payment of the current annual renewal fee, submission of proof of compliance with 6
5 continuing education requirements and payment of a reinstatement fee in the amount 2
6 not to exceed two hundred dollars (\$200), in addition to any other fee permitted under P
7 the Real Estate Appraisers Act. a
8 e

9 H. The board may renew an expired license or certificate upon 1
10 application, payment of the current annual renewal fee, submission of proof of 4
11 compliance with continuing education requirements and payment of the reinstatement
12 fee, in addition to any other fee permitted under the Real Estate Appraisers Act;
13 provided that the board may, in the board's discretion, treat the former certificate
14 holder as a new applicant and further may require reexamination as a condition to
15 reissuance of a certificate.

16 I. If during a period of one year from the date a registration, license or
17 certificate expires, the registration, license or certificate holder is either absent from
18 this state on active duty military service or is suffering from an illness or injury of such
19 severity that the person is physically or mentally incapable of renewal of the
20 registration, license or certificate, payment of the reinstatement fee and, in the case of
21 a license or certificate holder, reexamination shall not be required by the board if,
22 within three months of the person's permanent return to this state or sufficient
23 recovery from illness or injury to allow the person to make an application, the person
24 makes application to the board for renewal. A copy of the person's military orders or a
25 certificate of the applicant's physician shall accompany the application.

J. The board may adopt additional requirements by rule for the
issuance or renewal of registrations, licenses or certificates to maintain or upgrade
real estate appraiser qualifications at a level no less than the recommendations of the
appraiser qualifications board of the appraisal foundation or the requirements of the
appraisal subcommittee."

1 Section 13. Section 61-30-15 NMSA 1978 (being Laws 1990, Chapter 75, SB
2 Section 15, as amended) is amended to read:
3 "61-30-15. REFUSAL, SUSPENSION OR REVOCATION OF REGISTRATION, 5
4 LICENSE OR CERTIFICATE.-- 6
5 A. The board, consistent with Section 2
6 61-30-7 NMSA 1978, shall refuse to issue or renew a registration, license or certificate Pa
7 or shall suspend or revoke a registration, license or certificate at any time when the ge
8 applicant, state apprentice real estate appraiser, state licensed real estate appraiser 1
9 or state certified real estate appraiser, in performing or attempting to perform any of 5
10 the actions set forth in the Real Estate Appraisers Act, is determined by the board to
11 have:
12 (1) procured or attempted to procure a registration, license or
13 certificate by knowingly making a false statement or submitting false information or
14 through any form of fraud or misrepresentation;
15 (2) refused to provide complete information in response to a
16 question in an application for registration, a license or certificate or failed to meet the
17 minimum qualifications established by the Real Estate Appraisers Act;
18 (3) paid money, other than as provided for in the Real Estate
19 Appraisers Act, to any member or employee of the board to procure registration, a
20 license or a certificate;
21 (4) been convicted of a crime that is substantially related to the
22 qualifications, functions and duties of the person developing real estate appraisals
23 and communicating real estate appraisals to others;
24 (5) committed an act involving dishonesty, fraud or
25 misrepresentation or by omission engaged in a dishonest or fraudulent act or
misrepresentation with the intent to substantially benefit the registration, license or
certificate holder or another person or with the intent to substantially injure another
person;
(6) willfully disregarded or violated any of the provisions of the

1 Real Estate Appraisers Act or the rules of the board adopted pursuant to that act; S
2 (7) accepted an appraisal assignment when the employment B
3 itself is contingent upon the real estate appraiser reporting a predetermined analysis 5
4 or opinion or where the fee to be paid for the performance of the appraisal assignment 6
5 is contingent upon the opinion, conclusion or valuation reached or upon the 2
6 consequences resulting from the appraisal assignment; provided that a contingent fee P
7 agreement is permitted for the rendering of special services not constituting an a
8 appraisal assignment and the acceptance of a contingent fee is clearly and 9
9 prominently stated on the written appraisal report; e
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12 (8) suffered the entry of a final civil judgment on the grounds of
13 fraud, misrepresentation or deceit in the making of an appraisal; provided that the
14 state apprentice real estate appraiser, state licensed real estate appraiser or state
15 certified real estate appraiser shall be afforded an opportunity to present matters in
16 mitigation and extenuation, but may not collaterally attack the civil judgment; or

17 (9) committed any other conduct that is related to dealings as
18 a state apprentice real estate appraiser, state licensed real estate appraiser or state
19 certified real estate appraiser and that constitutes or demonstrates bad faith,
20 untrustworthiness, impropriety, fraud, dishonesty or any unlawful act.

21 B. The board, consistent with Section
22 61-30-7 NMSA 1978, shall refuse to issue or renew a registration, license or certificate
23 and shall suspend or revoke a registration, license or certificate at any time when the
24 board determines that the applicant or state apprentice real estate appraiser, state
25 licensed real estate appraiser or state certified real estate appraiser, in the
performance of real estate appraisal work, has:

(1) repeatedly failed to observe one or more of the standards
for the development or communication of real estate appraisals set forth in the rules
adopted pursuant to the Real Estate Appraisers Act;

(2) repeatedly failed or refused, without good cause, to
exercise reasonable diligence in developing an appraisal, preparing an appraisal

1 report or communicating an appraisal;

2 (3) repeatedly been negligent or incompetent in developing an
3 appraisal, in preparing an appraisal report or in communicating an appraisal; or

4 (4) violated the confidential nature of records to which the
5 state apprentice real estate appraiser, state licensed real estate appraiser or state
6 certified real estate appraiser gained access through employment or engagement as
7 such an appraiser.

8 C. The action of the board relating to the issuance, suspension or
9 revocation of any registration, license or certificate shall be governed by the
10 provisions of the Uniform Licensing Act. The board shall participate in any hearings
11 required or conducted by the board pursuant to the provisions of the Uniform
12 Licensing Act.

13 D. The provisions of the Criminal Offender Employment Act shall
14 govern any consideration of criminal records required or permitted under the Real
15 Estate Appraisers Act.

16 E. Nothing in the Real Estate Appraisers Act shall be construed to
17 preclude any other remedies otherwise available under common law or statutes of this
18 state."

19 Section 14. Section 61-30-16 NMSA 1978 (being Laws 1990, Chapter 75,
20 Section 16, as amended) is amended to read:

21 "61-30-16. STANDARDS OF PROFESSIONAL APPRAISAL
22 PRACTICE--CERTIFICATE OF GOOD STANDING.--

23 A. Each state apprentice real estate appraiser, state licensed real
24 estate appraiser or state certified real estate appraiser shall comply with generally
25 accepted standards of professional appraisal practice and generally accepted ethical
rules to be observed by a real estate appraiser. Generally accepted standards of
professional appraisal practice are currently evidenced by the uniform standards of
professional appraisal practice promulgated by the appraisal foundation and as
adopted by rule pursuant to provisions of the Real Estate Appraisers Act.

1 B. The board, upon payment of a fee in an amount specified in its S
2 rules, may issue a certificate of good standing to any real estate appraiser who is in B
3 good standing in accordance with the Real Estate Appraisers Act." 5

4 Section 15. Section 61-30-17 NMSA 1978 (being Laws 1990, Chapter 75, 2
5 Section 17, as amended) is amended to read: P

6 "61-30-17. FEES.--The board shall charge and collect the following fees not to 9
7 exceed: e

8 A. an application fee for a registration, two hundred dollars (\$200); 1

9 B. an application fee for a license or residential certification, four 8
10 hundred dollars (\$400);

11 C. an application fee for general certification, five hundred dollars
12 (\$500);

13 D. an examination fee for general and residential certification or
14 license, two hundred dollars (\$200);

15 E. a registration renewal fee, two hundred fifty dollars (\$250);

16 F. a certificate renewal fee for residential certification, or license
17 renewal, four hundred fifty dollars (\$450);

18 G. a certificate renewal fee for general certification, five hundred
19 dollars (\$500);

20 H. the registry fee as required by the federal real estate appraisal
21 reform amendments;

22 I. for registration for temporary practice, two hundred dollars (\$200);

23 J. for each duplicate registration, license or certificate issued because
24 a registration, license or certificate is lost or destroyed and an affidavit as to its loss or
25 destruction is made and filed, fifty dollars (\$50.00); and

26 K. fees to cover reasonable and necessary administrative expenses."

27 Section 16. Section 61-30-19 NMSA 1978 (being Laws 1990, Chapter 75,
28 Section 19, as amended) is amended to read:

29 "61-30-19. CONTINUING EDUCATION.--

1 A. The board shall adopt rules providing for continuing education
2 programs that offer courses in real property appraisal, practices and techniques,
3 including basic real estate law and practice. The rules shall require that every state
4 apprentice real estate appraiser, state licensed real estate appraiser or state certified
5 real estate appraiser, as a condition to renewal, shall successfully complete the
6 continuing education requirements approved by the board.

7 B. The rules shall prescribe areas of specialty or expertise relating to
8 registration, licenses and the type of certificate held and may require that a certain
9 part of continuing education be devoted to courses in the area of the state apprentice
10 real estate appraiser's, state licensed real estate appraiser's or state certified real
11 estate appraiser's specialty or expertise. The rules shall also permit state apprentice
12 real estate appraisers, state licensed real estate appraisers or state certified real
13 estate appraisers to meet the continuing education requirements by participation other
14 than as a student in educational processes and programs in real property appraisal
15 theory, practices and techniques by instructing or preparing educational materials."

16 Section 17. Section 61-30-20 NMSA 1978 (being Laws 1990, Chapter 75,
17 Section 20, as amended) is amended to read:

18 "61-30-20. NONRESIDENT APPLICANTS--RECIPROCITY.--

19 A. The board shall issue a registration, license or certificate to a
20 nonresident, provided that state's requirements for registration, licensing or
21 certification are the same or similar to the requirements set forth in the Real Estate
22 Appraisers Act. In the event that the other state's requirements are not similar or
23 cannot be verified, a qualifying nonresident applicant may become a state apprentice
24 real estate appraiser, state licensed real estate appraiser or state certified real estate
25 appraiser by conforming to all conditions of the Real Estate Appraisers Act.

Examinations taken in other states are acceptable in New Mexico at the board's
discretion if the exam was at the appropriate level and approved by the appraisal
foundation. If it is beneficial to New Mexico state apprentice real estate appraisers,
state licensed real estate appraisers or state certified real estate appraisers, the

1 board may negotiate agreements with other states allowing reciprocity. The
2 registration, license or certificate shall be issued upon payment of the application fee,
3 verification that the applicant has complied with his resident state's current education
4 requirements and the filing with the board of a license history and verification of good
5 standing issued by the licensing board of the other state.

6 B. The applicant shall file an irrevocable consent that suits and actions
7 may be commenced against him in the proper court of any county of this state in which
8 a cause of action may arise from his actions as a state apprentice real estate
9 appraiser, state licensed real estate appraiser or state certified real estate appraiser
10 or in which the plaintiff may reside, by the service of any processes or pleadings
11 authorized by the laws of this state on the board, the consent stipulating and agreeing
12 that such service of processes or pleadings on the board shall be taken and held in all
13 courts to be as valid and binding as if personal service has been made upon the
14 applicant in New Mexico. In case any process or pleading mentioned in the case is
15 served upon the board, it shall be by duplicate copies, one of which shall be filed in
16 the office of the board and the other immediately forwarded by registered mail to the
17 nonresident state apprentice real estate appraiser, state licensed real estate
18 appraiser or state certified real estate appraiser to whom the processes or pleadings
19 are directed."

20 Section 18. Section 61-30-21 NMSA 1978 (being Laws 1990, Chapter 75,
21 Section 21, as amended) is amended to read:

22 "61-30-21. TEMPORARY PRACTICE.--

23 A. The board shall recognize, on a temporary basis, the registration,
24 certification or license of a real estate appraiser issued by another state if:

25 (1) the real estate appraiser's business is of a temporary
nature and certified by the real estate appraiser not to exceed six months; and

(2) the real estate appraiser registers the temporary practice
with the board.

B. The applicant or any person registering with the board for

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1 temporary practice shall file an irrevocable consent that suits and actions may be
2 commenced against him in the proper court of any county of this state in which a
3 cause of action may arise from his actions as a state apprentice real estate appraiser,
4 state licensed real estate appraiser or state certified real estate appraiser or in which
5 the plaintiff may reside, by the service of any processes or pleadings authorized by the
6 laws of this state on the board, the consent stipulating and agreeing that such service
7 of processes or pleadings on the board shall be taken and held in all courts to be as
8 valid and binding as if personal service had been made upon the applicant in New
9 Mexico. In case any process or pleading mentioned in the case is served upon the
10 board, it shall be by duplicate copies, one of which shall be filed in the office of the
11 board and the other immediately forwarded by registered mail to the nonresident state
12 apprentice real estate appraiser, state licensed real estate appraiser or state certified
13 real estate appraiser to whom the processes or pleadings are directed."

14 Section 19. Section 61-30-22 NMSA 1978 (being Laws 1990, Chapter 75,
15 Section 22, as amended) is amended to read:

16 "61-30-22. CIVIL AND CRIMINAL PENALTIES--INJUNCTIVE RELIEF.--

17 A. Any person who violates any provision of the Real Estate
18 Appraisers Act is guilty of a misdemeanor and shall be punished by a fine of not more
19 than one thousand dollars (\$1,000) or by imprisonment for not more than six months
20 or both.

21 B. In the event any person has engaged in or proposes to engage in
22 any act or practice violating a provision of the Real Estate Appraisers Act, the attorney
23 general or the district attorney of the judicial district in which the person resides or the
24 judicial district in which the violation has occurred or will occur shall, upon application
25 of the board, maintain an action in the name of the state to prosecute the violation or
to enjoin the proposed act or practice.

C. The board may impose a civil penalty in an amount not to exceed
one thousand dollars (\$1,000) for each violation of the Real Estate Appraisers Act and
assess administrative costs for any investigation and administrative or other

1 proceedings against a state apprentice real estate appraiser, state licensed real
2 estate appraiser or state certified real estate appraiser or against any person who is
3 found, through an administrative proceeding, to have acted without a license. Appeals
4 from decisions of the board shall be taken as provided in Section 39-3-1.1 NMSA
5 1978."

6 Section 20. EFFECTIVE DATE.--The effective date of the provisions of this act
7 is July 1, 2003.

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